

**PT 01-53**

**Tax Type: Property Tax**

**Issue: Religious Ownership/Use**

**STATE OF ILLINOIS  
DEPARTMENT OF REVENUE  
OFFICE OF ADMINISTRATIVE HEARINGS  
SPRINGFIELD, ILLINOIS**

---

<b>GALATIA UNITED METHODIST CHURCH</b>	)	<b>A.H. Docket #</b>	<b>00-PT-0026</b>
<b>Applicant</b>	)	<b>Docket #</b>	<b>99-83-23</b>
	)		
<b>v.</b>	)	<b>Parcel Index #</b>	<b>RH1-099-08</b>
	)		
<b>THE DEPARTMENT OF REVENUE</b>	)	<b>Barbara S. Rowe</b>	
<b>OF THE STATE OF ILLINOIS</b>	)	<b>Administrative Law Judge</b>	

---

**RECOMMENDATION FOR DISPOSITION**

**Appearances:** Curtis R. Barnes, Attorney at Law for the Galatia United Methodist Church.

**Synopsis:**

The hearing in this matter was held at the Regional State Office Building, 2309 West Main Street, Marion, Illinois, on September 29, 2000, to determine whether or not Saline County Parcel Index No. RH1-099-08 qualified for exemption during the 1999-assessment year.

Harrison Peyton, Pastor of the Galatia United Methodist Church (hereinafter referred to as the "Applicant"), and Lone Oak United Methodist Church (now defunct) and Virginia McConnell, trustee of the applicant, and Chairman of the Board of Directors of the Lone Oak Christian Community Center were present and testified on behalf of the applicant.

The issues in this matter include, first, whether the applicant was the owner of the parcel during the 1999-assessment year; secondly, whether the applicant is a religious organization; and lastly, whether the parcel was used by the applicant for exempt purposes during the 1999-assessment year. After a thorough review of the facts and law presented, it is my recommendation that the requested exemption be granted. In support thereof, I make the

following findings and conclusions in accordance with the requirements of Section 100/10-50 of the Administrative Procedure Act (5 ILCS 100/10-50).

**Findings of Fact:**

1. The jurisdiction and position of the Department that Saline County Parcel Index No. RH1-099-08 did not qualify for a property tax exemption for the 1999-assessment year was established by the admission into evidence of Dept. Ex. No. 1. (Tr. p. 8)

2. Located on the subject parcel is the former Lone Oak United Methodist Church building. The applicant is using the property as part of its religious and charitable outreach program in the Lone Oak community. (Dept. Ex. No. 1)

3. The Lone Oak community is in a totally rural area of southern Illinois. The Lone Oak United Methodist Church was forced to close in early 1998 due to lack of attendance. Because it is the only church building in the community, there is a lot of sentimental attachment to the church. At the Methodist annual conference, members of the applicant requested that the property be transferred to them, rather than be sold. The transfer request was granted and the applicant acquired the subject parcel by a quitclaim deed dated May 26, 1998. (Dept. Ex. No. 1; Tr. pp. 9-11)

5. The applicant is also a small church and could not afford the up-keep of two church buildings. The Lone Oak Christian Community Center (hereinafter referred to as the "Committee") was formed within the applicant to operate the building on the parcel at issue. The committee is exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code. That committee was incorporated under the general-not-for-profit corporation act of the State of Illinois on February 24, 1999. The purpose of the committee is:

To promote community, ecumenical and family oriented activities by hosting weekly Bible study, occasional gospel singings, homecomings, community picnics, weekly Weight Watchers meetings, and youth programs. The Lone Oak Christian Community Center will also be available for weddings, showers, family reunions and as a central distribution and aid center when and if a disaster/emergency should strike the community or surrounding area. (Applicant's Ex. Nos. 1, 2; Tr. pp. 10-11, 26-28)

6. The committee is responsible for the supervision and scheduling of the uses of the building on the subject property. Donations are accepted to defray the costs of the upkeep of the building. The committee board is made up of members of different religious denominations that wish to keep the presence of a church in the community. (Tr. pp. 11-14)

7. The one story church building consists of a large auditorium room, a kitchen, and bathrooms. The auditorium contains pews and a pulpit. (Dept. Ex. No. 1; Tr. pp. 12-13, 15)

8. In 1999 the building and subject parcel were used for weekly Bible studies held on Wednesday night; weekly rehearsals for the Cumberland Four Gospel Quartet held on Monday nights; quarterly Board of Directors meetings of the committee; a gospel singing performance on March 26, 1999; a Homecoming on August 29, 1999, officiated by Reverend Peyton, which included gospel singing; and an annual community wiener roast on October 30, 1999. No one rented the property. (Dept. Ex. No. 1; Applicant's Ex. No. 1; Tr. pp. 17- 19, 22-26)

9. I take administrative notice that the Department has determined that the applicant is a religious organization and has granted a property tax exemption to the applicant pursuant to Docket No. 88-83-22. (Dept. Ex. No. 1)

**Conclusions of Law:**

Article IX, §6 of the Illinois Constitution of 1970, provides in part as follows:

The General Assembly by law may exempt from taxation only the property of the State, units of local government and school districts and property used exclusively for agricultural and horticultural societies, and for school, religious, cemetery and charitable purposes.

This provision is not self-executing but merely authorizes the General Assembly to enact legislation that exempts property within the constitutional limitations imposed. City of Chicago v. Illinois Department of Revenue, 147 Ill.2d 484 (1992)

Pursuant to the authority granted by the Constitution, the legislature has enacted exemptions from property tax. At issue is the religious exemption found at 35 **ILCS** 200/15-40. That portion of the statutes exempts certain property from taxation in part as follows:

§ 15-40. Religious purposes, orphanages or school and religious purposes. All property used exclusively for religious purposes, or used exclusively for school and religious purposes, or for orphanages and not leased or otherwise used with a view to profit, is exempt, \* \* \*

It is well settled in Illinois that when a statute purports to grant an exemption from taxation, the tax exemption provision is to be construed strictly against the one who asserts the claim of exemption. International College of Surgeons v. Brenza, 8 Ill.2d 141 (1956) Whenever doubt arises, it is to be resolved against exemption and in favor of taxation. People ex. rel. Goodman v. University of Illinois Foundation, 388 Ill. 363 (1941). Further, in ascertaining whether or not a property is statutorily tax exempt, the burden of establishing the right to the exemption is on the one who claims the exemption. MacMurray College v. Wright, 38 Ill.2d 272 (1967)

The applicant purchased the Lone Oak Methodist Church building to maintain a religious presence in the community. A committee was formed to take care of the building and schedule usage of it. Donations were taken to defray the costs of maintenance. In 1999, the building was regularly used for Bible study and gospel singing practice. Additional uses were a homecoming and a wiener roast. The homecoming was officiated by the minister of the applicant. In The People v. Deutsche Gemeinde, 249 Ill. 132 (1911) the Illinois Supreme Court stated:

Unless facts are stated from which it can be seen that the use is religious or a school use in the sense in which the term is used in the constitution the application should be denied. The words used in the constitution are to be taken in their ordinary acceptation and under the rule of strict construction, which excludes all purposes not within the contemplation of the framers of that instrument. While religion, in its broadest sense, includes all forms and phases of belief in existence of superior beings capable of exercising power over the human race, yet in the common understanding and in its application to the people of this

State it means the formal recognition of God as members of societies and associations. As applied to the uses of property, a religious purpose means a use of such property by a religious society or body of persons as a stated place for public worship, Sunday schools and religious instruction. *Id.* at 136-137.

The auditorium in the building on the subject parcel is set up like a sanctuary in a church. The applicant used the subject parcel for religious purposes in 1999 when it conducted its weekly Bible study and gospel singing practice sessions. It is therefore recommended that Saline County parcel Index No. RH1-009-08 be exempt from real estate taxation for the 1999-assessment year.

Respectfully Submitted,

---

Barbara S. Rowe  
Administrative Law Judge  
August 10, 2001